

## FOREIGN EXCHANGE MARKET

### News

- > The greenback ended higher across the board on Thursday due to selloff in euro and sterling along with strong recovery in the US Treasury yields.
- > EUR/USD tumbled to 1.1056 after the ECB left interest rates unchanged while approving fresh stimulus measures on Thursday to help the euro zone economy cope with the growing cost of the coronavirus epidemic.
- > GBP/USD slid to 1.2584, its weakest since October 2019, weighed down by worsening market turmoil after US President Donald Trump slapped restrictions on travel from Europe.
- > USD/JPY has managed to regain the 105 handle after BOJ intervened with an unscheduled injection of 500bn yen in liquidity. However, the further upside appears elusive amid gloom in the Asian equities and US equity futures induced by coronavirus fears.
- > AUD/USD jumps back above the 0.63 level in early trade this morning as risk-aversion dominates Asia after dropping to 0.6213, the lowest since Nov 2008.
- > The Canadian dollar weakened to a four-year low against its US counterpart on Thursday as investors increasingly worried that measures taken to contain the coronavirus outbreak will disrupt the world economy.
- > South African rand weakened sharply on Thursday along with other emerging market currencies as concerns over the economic impact of the coronavirus intensified after the World Health Organization declared the outbreak a pandemic.
- > The Bank of Mauritius intervened on the domestic foreign exchange market at the bid rate of MUR 38.00/USD
- > The US Dollar opens at MUR 38.60 on the offer against the local currency, a new high on the market.

### Daily Technical View

EUR/USD - Another wild session yesterday saw the EUR trading in a volatile 1.1056-1.1319 range after the ECB disappointed markets by not cutting rates at its interest rate meeting. In Asia this morning the single currency traded above 1.1200 after the US Fed allayed stress in the dollar funding markets by injecting USD 1.5 trillion liquidity, intra-day key technical levels are 1.1110 on the downside and 1.1300 on the upside.

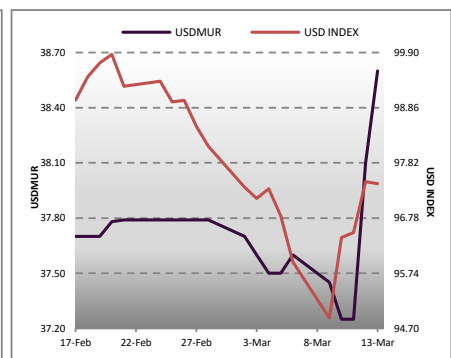
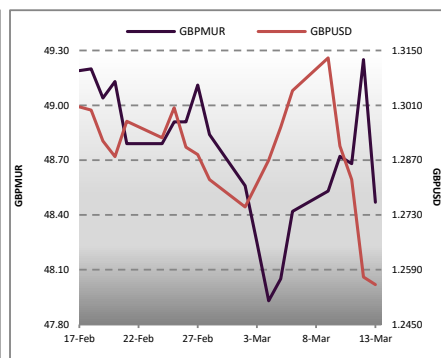
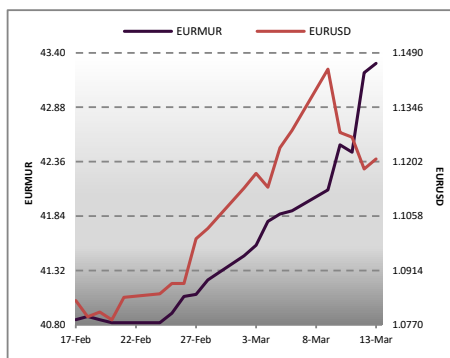
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	23.60	(0.49)	24.54	(0.51)
CNYMUR	5.36	0.02	5.63	0.02
EURMUR	42.04	0.09	43.30	0.09
JPYMUR	35.55	0.37	36.97	0.38
ZARMUR	2.23	(0.06)	2.37	(0.07)
USDMUR	37.70	0.50	38.60	0.50
GBPMUR	47.06	(0.76)	48.47	(0.78)

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	23.60	23.62	23.65	24.57	24.64	24.76
EURMUR	42.10	42.24	42.44	43.39	43.58	43.88
ZARMUR	2.22	2.20	2.17	2.36	2.35	2.32
USDMUR	37.71	37.74	37.80	38.63	38.71	38.86
GBPMUR	47.09	47.16	47.27	48.52	48.66	48.88



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6235	0.6326	0.6233	0.6297
EURUSD	1.1183	1.1221	1.1153	1.1209
GBPUSD	1.2572	1.2599	1.2508	1.2562
USDJPY	104.61	106.00	104.51	105.46
USDCHF	0.9439	0.9478	0.9423	0.9431
USDCNH	7.03	7.05	6.99	7.00

#### Major Indices

	Value at Close	Day Change %
DOW JONES	23,553.22	(9.99)
S&P 500	2,480.64	(9.51)
FTSE 100	5,237.48	(10.87)
DAX	9,161.13	(12.24)
CAC 40	4,044.26	(12.28)
NIKKEI 225	17,735.64	(4.44)
HANGSENG	23,574.47	(3.02)

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
11-Mar	12 30	US	CPI ex Food & Energy (YoY)	Feb	2.4%	2.3%	2.3%
12-Mar	12 45	EU	ECB Interest Rate Decision	-	0%	0%	0%
13-Mar	07 00	DE	Harmonized Index of Consumer Prices	Feb	-	1.7%	1.7%
13-Mar	15 00	US	Michigan Consumer Sentiment Index	Mar	-	97	101

This commentary is for information only, and the comments and forecasts are intended to be of a general nature, and are current at the date of issue. This document is not intended as an offer, solicitation, or recommendation to buy or sell financial instruments or for any individual investment.

Source: MCB Treasury, Reuters, Bloomberg, Bank of Mauritius

## FIXED INCOME

### News

- > US Treasury yields came off their lows yesterday even as major stock indexes entered a bear market, raising questions around whether investors reeling from losses in the past few weeks were selling Treasuries to free up cash.
- > Stocks sold off after President Donald Trump announced a ban on travel from Europe to the US by foreign nationals to stem the spread of the COVID-19 outbreak, adding to worries that the move could hurt cross-border economic activity.
- > The 10-year Treasury note yield gained 2.5 basis points to 0.842 percent, while the two-year note rate was virtually flat at 0.483 percent.

> Today, the Bank of Mauritius will issue the 364-Day Government of Mauritius treasury bills for a nominal amount of MUR 700 Mio.

> The result of the 15-year Government of Mauritius Treasury Bonds was as follows: out of 14 bids received, only 1 was successful, with a bid to cover ratio of 2.83 and a weighted average yield of 3.79 percent.

### Market Highlights

#### Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	1.25	-
2M	1.30	-
3M	1.35	1.20
4M	1.40	-
6M	1.50	1.35
8M	1.75	-
10M	1.85	-
1Y	1.95	1.80

[Click here to access our Mauritian Bond Market page](#)

#### Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	2.45	2.25
3 year	2.75	2.55
4 Year	2.85	2.65
5 Year	3.15	2.90
10 Year	3.65	3.40
15 year	4.25	4.00
20 Year	4.75	4.50

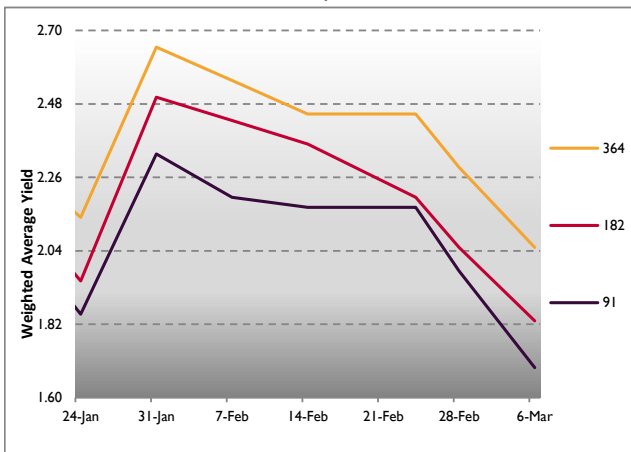
#### Key Central Bank Rates

	Current (%)	Previous (%)
BOM Repo Rate	2.85	3.35
Fed Funds Rate	1.00 - 1.25	1.50 - 1.75
BoE Bank Rate	0.25	0.75
ECB Ref. Rate	0.0	0.0
RBA Cash Rate	0.50	0.75

#### Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	0.4982	0.630
UK Bonds	0.219	0.234
German Bonds	-0.939	-0.876

#### Local Treasury Bills Market



#### Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-0.586	-0.600	-0.539	-0.484
USD	1.040	0.797	0.773	0.744
GBP	0.213	0.261	0.383	0.438
EURIBOR	-0.523	-0.503	-0.473	-0.429

\* LIBOR rates delayed by 48 hours. Source: ICE

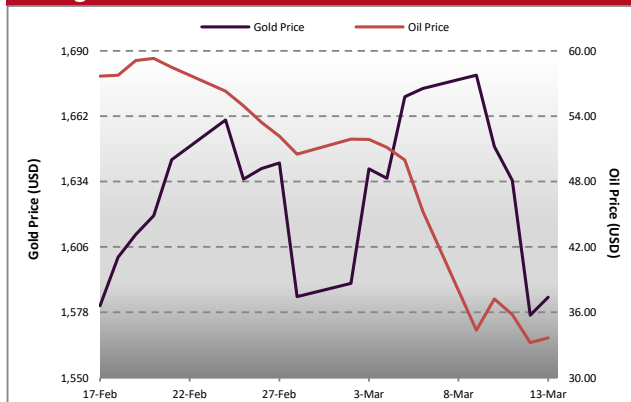
#### Indicative Generic Swap Rates\* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	-0.507	-0.404	-0.328	-0.225
USD LIBOR - 3m	0.494	0.654	0.745	0.750

\*Pay fixed and receive floating swap

## COMMODITIES

### Rolling Gold & Oil Prices



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### News

> Gold prices seesawed between gains and losses in Asia this morning after the worst stock market day in the US since 1987.

> Oil prices recovered today after the Federal Reserve moved to provide USD 1.5 trillion in short-term liquidity and changed the durations of Treasuries it buys.

#### Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	31.58	(3.80)
Gold (\$)	1,585.39	8.61